

meetings to review sales performance, product development, sales goals, and profitability.

Those who want to become manufacturers' and wholesale sales representatives should be goal-oriented, persuasive, and work well both independently and as part of a team. A pleasant personality and appearance, the ability to communicate well with people and problem-solving skills are highly valued. Furthermore, completing a sale can take several months and thus requires patience and perseverance. These workers are on their feet for long periods and may carry heavy sample cases, which necessitates some physical stamina. They should also enjoy traveling. Sales representatives spend much of their time visiting current and prospective clients.

Frequently, promotion takes the form of an assignment to a larger account or territory where commissions are likely to be greater. Experienced sales representatives may move into jobs as sales trainers, who instruct new employees on selling techniques and company policies and procedures. Those who have good sales records and leadership ability may advance to sales supervisor or district manager.

In addition to advancement opportunities within a firm, some manufacturers' agents go into business for themselves. Others find opportunities in purchasing, advertising, or marketing research.

Job Outlook

Overall, employment of manufacturers' and wholesale sales representatives is expected to grow more slowly than the average for all occupations through the year 2008. Continued growth due to the increasing variety and number of goods to be sold will be tempered by the increased effectiveness and efficiency of sales workers. Many job openings will result from the need to replace workers who transfer to other occupations or leave the labor force.

Prospective customers will still require sales workers to demonstrate or illustrate the particulars about the good or service. However, technology is expected to make them more effective and productive, for example, by providing accurate and current information to customers during sales presentations.

Within manufacturing, job opportunities for manufacturers' agents should be somewhat better than those for sales representatives. Manufacturers are expected to continue outsourcing sales duties to manufacturers' agents rather than using in-house or direct selling personnel. To their advantage, these agents are more likely to work in a sales area or territory longer than representatives, creating a better working relationship and understanding how customers operate their businesses. Also, by using agents who usually lend their services to more than one company, companies can share costs with the other companies involved with that agent.

Those interested in this occupation should keep in mind that direct selling opportunities in manufacturing are likely to be best for products with strong demand. Furthermore, jobs will be most plentiful in small wholesale and manufacturing firms because a growing number of these companies will rely on wholesalers' and manufacturers' agents to market their products as a way to control their costs and expand their customer base.

Employment opportunities and earnings may fluctuate from year to year because sales are affected by changing economic conditions, legislative issues, and consumer preferences. Prospects will be best for those with the appropriate knowledge or technical expertise as well as the personal traits necessary for successful selling.

Earnings

Compensation methods vary significantly by the type of firm and product sold. Most employers use a combination of salary and commission or salary plus bonus. Commissions are usually based on the amount of sales, whereas bonuses may depend on individual performance, on the performance of all sales workers in the group or district, or on the company's performance.

Median annual earnings of sales representatives, except retail, were \$36,540, including commission, in 1998. The middle 50 percent

earned between \$26,350 and \$51,580 a year. The lowest 10 percent earned less than \$19,220 and the highest 10 percent earned more than \$83,000 a year. Median annual earnings in the industries employing the largest number of sales representatives, except retail, in 1997 were as follows:

Electrical goods	\$36,700
Paper and paper products	36,700
Machinery, equipment, and supplies	36,400
Professional and commercial equipment	35,300
Groceries and related products	31,900

Median annual earnings of sales engineers, including commission, in 1998 were \$54,600. The middle 50 percent earned between \$41,240 and \$79,480 a year. The lowest 10 percent earned less than \$30,560 and the highest 10 percent earned more than \$97,700 a year. Median annual earnings in the industries employing the largest number of sales engineers in 1997 were as follows:

Computer and data processing services	\$62,800
Electrical goods	56,600
Professional and commercial equipment	51,700
Machinery, equipment, and supplies	48,900

In addition to their earnings, sales representatives and engineers are usually reimbursed for expenses such as transportation costs, meals, hotels, and entertaining customers. They often receive benefits such as health and life insurance, pension plan, vacation and sick leave, personal use of a company car, and frequent flyer mileage. Some companies offer incentives such as free vacation trips or gifts for outstanding sales workers.

Unlike those working directly for a manufacturer or wholesaler, manufacturers' agents are paid strictly on commission. Depending on the type of product or products they are selling, their experience in the field, and the number of clients, their earnings can be significantly higher or lower than those working in direct sales. In addition, self-employed manufacturers' agents must pay their own travel, entertainment, and benefit expenses.

Related Occupations

Manufacturers' and wholesale sales representatives must have sales ability and knowledge of the products they sell. Other occupations that require similar skills are: advertising, marketing, and public relations managers; insurance sales agents; purchasing managers, buyers, and purchasing agents; real estate agents and brokers; securities, commodities, and financial services sales representatives; and services sales representatives.

Sources of Additional Information

Information on manufacturers' agents is available from:

✦ Manufacturers' Agents National Association, P.O. Box 3467, Laguna Hills, CA 92654-3467. Internet: <http://www.manaonline.org>

Career and certification information is available from:

✦ Sales and Marketing Executives International, 5500 Interstate North Pkwy., No. 545, Atlanta, GA 30328. Internet: <http://www.smei.org>

✦ Manufacturers' Representatives Educational Research Foundation, P.O. Box 247, Geneva, IL 60134. Internet: <http://www.mrerf.org>

Real Estate Agents and Brokers

(O*NET 43008)

Significant Points

- Real estate sales positions should continue to be relatively easy to obtain due to the large number of people who leave this occupation each year.

- Real estate agents and brokers must be licensed in every State and in the District of Columbia.

Nature of the Work

The purchase or sale of a home or investment property is not only one of the most important financial events in peoples' lives, but also one of the most complex transactions. As a result, people usually seek the help of real estate agents and brokers when buying or selling real estate.

Real estate agents and brokers have a thorough knowledge of the real estate market in their community. They know which neighborhoods will best fit clients' needs and budgets. They are familiar with local zoning and tax laws, and know where to obtain financing. Agents and brokers also act as an intermediary in price negotiations between buyers and sellers. Real estate agents are usually independent sales workers who provide their services to a licensed broker on a contract basis. In return, the broker pays the agent a portion of the commission earned from the agent's sale of the property.

Brokers are independent business people who, for a fee, sell real estate owned by others; they also may rent and manage properties for a fee. When selling real estate, brokers arrange for title searches and for meetings between buyers and sellers where details of the transactions are agreed upon and the new owners take possession. A broker's knowledge, resourcefulness, and creativity in arranging favorable financing for the prospective buyer often mean the difference between success and failure in closing a sale. In some cases, brokers and agents assume primary responsibility for closing sales; in others, lawyers or lenders do this. Brokers supervise agents who may have many of the same job duties. Brokers also manage their own offices, advertise properties, and handle other business matters. Some combine other types of work, such as selling insurance or practicing law, with their real estate business.

There is more to an agent or broker's job than just making sales. They must have properties to sell. Consequently, they spend a significant amount of time obtaining listings—owner agreements to place properties for sale with the firm. When listing a property for sale, agents and brokers compare the listed property with similar properties that have recently sold to determine its competitive market price. Once the property is sold, the agent who sold the property and the agent who obtained the listing both receive a portion of the commission. Thus, agents who sell a property they also listed can increase their commission.

Most real estate agents and brokers sell residential property. A small number, usually employed in large or specialized firms, sell commercial, industrial, agricultural, or other types of real estate. Every specialty requires knowledge of that particular type of property and clientele. Selling or leasing business property requires an understanding of leasing practices, business trends, and location needs. Agents who sell or lease industrial properties must know about the region's transportation, utilities, and labor supply. Whatever the type of property, the agent or broker must know how to meet the client's particular requirements.

Before showing residential properties to potential buyers, agents meet with buyers to get a feeling for the type of home the buyers would like. In this prequalifying phase, the agent determines how much buyers can afford to spend. In addition, they usually sign a loyalty contract which states the agent will be the only one to show them houses. An agent or broker uses a computer to generate lists of properties for sale, their location and description, and available sources of financing. In some cases, agents and brokers use computers to give buyers a virtual tour of properties in which they are interested. Buyers can view interior and exterior images or floor plans without leaving the real estate office.

Agents may meet several times with prospective buyers to discuss and visit available properties. Agents identify and emphasize the most pertinent selling points. To a young family looking for a house, they may emphasize the convenient floor plan, the area's low crime rate, and the proximity to schools and shopping centers. To a potential investor, they may point out the tax advantages of owning a rental property and the ease of finding a renter. If bargaining over price becomes necessary,

agents must carefully follow their client's instructions and may have to present counteroffers in order to get the best possible price.

Once both parties have signed the contract, the real estate broker or agent must see to it that all special terms of the contract are met before the closing date. For example, if the seller agrees to a home inspection or a termite and radon inspection, the agent must make sure this is done. Also, if the seller agrees to any repairs, the broker or agent must see they are made. Increasingly, brokers and agents handle environmental problems by making sure the properties they sell meet environmental regulations. For example, they may be responsible for dealing with problems such as lead paint on the walls. While loan officers, attorneys, or other persons handle many details, the agent must check to make sure that they are completed.

Working Conditions

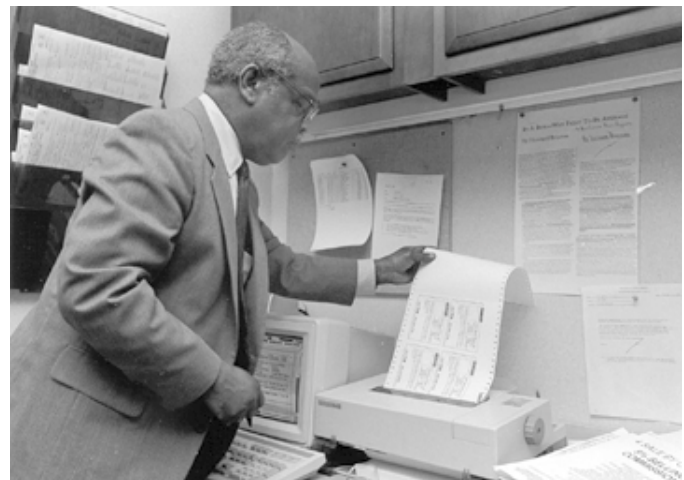
Increasingly, real estate agents and brokers work out of their homes instead of real estate offices because of advances in telecommunications and the ability to retrieve data on properties over the Internet. Even with this convenience, much of their time is spent away from their desk—showing properties to customers, analyzing properties for sale, meeting with prospective clients, or researching the state of the market.

Agents and brokers often work more than a standard 40-hour week; nearly 1 out of every 4 worked 50 hours or more a week in 1998. They often work evenings and weekends, and are always on call to suit the needs of clients. Business is usually slower during the winter season. Although the hours are long and often irregular, most agents and brokers also have the freedom to determine their own schedule. Consequently, they can arrange their work so they can have time off when they want it.

Employment

Real estate agents and brokers held about 347,000 jobs in 1998. Many worked part time, combining their real estate activities with other careers. More than two-thirds of real estate agents and brokers were self-employed. Real estate is sold in all areas, but employment is concentrated in large urban areas and in smaller, but rapidly growing communities.

Most real estate firms are relatively small; indeed, some are a one-person business. Some large real estate firms have several hundred agents operating out of many branch offices. Many brokers have franchise agreements with national or regional real estate organizations. Under this type of arrangement, the broker pays a fee in exchange for the privilege of using the more widely known name of the parent organization. Although franchised brokers often receive help training salespeople and running their offices, they bear the ultimate responsibility for the success or failure of their firm.



A real estate agent prints information on available properties for a client.

Real estate agents and brokers are older, on average, than most other workers. Historically, many homemakers and retired persons were attracted to real estate sales by the flexible and part time work schedules characteristic of this field. They could enter, leave, and later reenter the occupation, depending on the strength of the real estate market, family responsibilities, or other personal circumstances. Recently, however, the attractiveness of part time work has declined, as increasingly complex legal and technological requirements raise startup costs associated with becoming an agent.

Training, Other Qualifications, and Advancement

In every State and in the District of Columbia, real estate agents and brokers must be licensed. Prospective agents must be a high school graduate, at least 18 years old, and pass a written test. The examination—more comprehensive for brokers than for agents—includes questions on basic real estate transactions and laws affecting the sale of property. Most States require candidates for the general sales license to complete between 30 and 90 hours of classroom instruction. Those seeking a broker's license need between 60 and 90 hours of formal training and a specific amount of experience selling real estate, usually one to three years. Some States waive the experience requirements for the broker's license for applicants who have a bachelor's degree in real estate.

State licenses typically must be renewed every one or two years, usually without reexamination. However, many States require continuing education for license renewal. Prospective agents and brokers should contact the real estate licensing commission of the State in which they wish to work to verify exact licensing requirements.

As real estate transactions have become more legally complex, many firms have turned to college graduates to fill positions. A large number of agents and brokers have some college training. College courses in real estate, finance, business administration, statistics, economics, law, and English are helpful. For those who intend to start their own company, business courses such as marketing and accounting are as important as those in real estate or finance.

Personality traits are equally as important as academic background. Brokers look for applicants who possess a pleasant personality, honesty, and a neat appearance. Maturity, tact, trust-worthiness, and enthusiasm for the job are required in order to motivate prospective customers in this highly competitive field. Agents should also be well organized, detail oriented, and have a good memory for names, faces, and business details.

Those interested in jobs as real estate agents often begin in their own communities. Their knowledge of local neighborhoods is a clear advantage. Under the direction of an experienced agent, beginners learn the practical aspects of the job, including the use of computers to locate or list available properties and identify sources of financing.

Many firms offer formal training programs for both beginners and experienced agents. Larger firms usually offer more extensive programs for both beginners and experienced agents. Larger firms usually offer more extensive programs than smaller firms do. Over 1,000 universities, colleges, and junior colleges offer courses in real estate. At some, a student can earn an associate or bachelor's degree with a major in real estate; several offer advanced degrees. Many local real estate associations that are members of the National Association of Realtors sponsor courses covering the fundamentals and legal aspects of the field. Advanced courses in mortgage financing, property development and management, and other subjects are also available through various affiliates of the National Association of Realtors.

Advancement opportunities for agents may take the form of higher commission rates. As agents gain knowledge and expertise, they become more efficient in closing a greater number of transactions and increase their earnings. Experienced agents can advance in many large firms to sales or general manager. Persons who have received their broker's license may open their own offices. Others with experience and training in estimating property value may become real estate appraisers, and people familiar with operating and maintaining rental properties may become property managers. (See the statement on

property, real estate, and community association managers elsewhere in the *Handbook*). Experienced agents and brokers with a thorough knowledge of business conditions and property values in their localities may enter mortgage financing or real estate investment counseling.

Job Outlook

Employment of real estate agents and brokers is expected to grow about as fast as the average for all occupations through the year 2008. However, a large number of job openings will arise due to replacement needs. Each year, thousands of jobs will become available as workers transfer to other occupations or leave the labor force. Not everyone is successful in this highly competitive field; many beginners become discouraged by their inability to get listings and to close a sufficient number of sales. Well-trained, ambitious people who enjoy selling should have the best chance for success.

Increasing use of electronic information technology will increase the productivity of agents and brokers as computers, faxes, modems, and databases become commonplace. Some real estate companies use computer-generated images to show houses to customers without leaving the office. Internet sites contain information on vast numbers of homes for sale, available to anyone. These devices enable an agent to serve a greater number of customers. Use of this technology may eliminate some marginal agents such as those practicing real estate part time or between jobs. These workers will not be able to compete as easily with full time agents who have invested in this technology. Changing legal requirements, like disclosure laws, may also dissuade some that are not serious about practicing full time from continuing to work part time.

Another factor expected to impact the need for agents and brokers is the ability of prospective customers to conduct their own searches for properties that meet their criteria by accessing real estate information on the Internet. While they won't be able to conduct the entire real estate transaction on-line, it does allow the prospective buyer the convenience of making a more informed choice of properties to visit, as well as the ability to find out about financing, inspections, and appraisals.

Employment growth in this field will stem primarily from increased demand for home purchases and rental units. Shifts in the age distribution of the population over the next decade will result in a growing number of persons in the prime working ages with careers and family responsibilities. This is the most geographically mobile group in our society, and the one that traditionally makes most of the home purchases. As their incomes rise, they also may be expected to invest in additional real estate.

Employment of real estate agents and brokers is very sensitive to swings in the economy. During periods of declining economic activity and tight credit, the volume of sales and the resulting demand for sales workers falls. During these periods, the earnings of agents and brokers decline, and many work fewer hours or leave the occupation altogether.

Earnings

The median annual earnings of salaried real estate agents, including commission, in 1998 were \$28,020. The middle 50 percent earned between \$19,060 and \$46,360 a year. The lowest 10 percent earned less than \$13,800 and the highest 10 percent earned more than \$83,330 a year. Median annual earnings in the industries employing the largest number of salaried real estate agents in 1997 were as follows:

Residential building construction	\$32,300
Real estate agents and managers	25,500
Real estate operators and lessors	19,100

Median annual earnings of salaried real estate brokers, including commission, in 1998 were \$45,640. The middle 50 percent earned between \$28,680 and \$80,070 a year.

Commissions on sales are the main source of earnings of real estate agents and brokers. The rate of commission varies according to agent and broker agreement, the type of property, and its value.

The percentage paid on the sale of farm and commercial properties or unimproved land is usually higher than the percentage paid for selling a home.

Commissions may be divided among several agents and brokers. The broker and the agent in the firm who obtained the listing usually share their commission when the property is sold; the broker and the agent in the firm who made the sale also usually share their part of the commission. Although an agent's share varies greatly from one firm to another, often it is about half of the total amount received by the firm. Agents who both list and sell a property maximize their commission.

Income usually increases as an agent gains experience, but individual ability, economic conditions, and the type and location of the property also affect earnings. Sales workers who are active in community organizations and local real estate associations can broaden their contacts and increase their earnings. A beginner's earnings are often irregular because a few weeks or even months may go by without a sale. Although some brokers allow an agent a drawing account against future earnings, this practice is not usual with new employees. The beginner, therefore, should have enough money to live on for about six months or until commissions increase.

Related Occupations

Selling expensive items such as homes requires maturity, tact, and a sense of responsibility. Other sales workers who find these character traits important in their work include motor vehicle sales workers; securities, commodities, and financial services sales representatives; insurance sales agents; and manufacturers' and wholesale sales representatives.

Sources of Additional Information

Information on license requirements for real estate agents and brokers is available from most local real estate organizations or from the State real estate commission or board.

For more information about opportunities in real estate, contact:

☛ National Association of Realtors, Realtor Information Center, 430 North Michigan Ave., Chicago, IL 60611.

Retail Salespersons

(O*NET 49011 and 49999C)

Significant Points

- Good employment opportunities are expected due to the need to replace the large number of workers who leave the occupation each year.
- Most salespersons work evening and weekend hours, and long hours during Christmas and other peak retail periods.
- Opportunities for part-time work are plentiful.

Nature of the Work

Whether selling shoes, computer equipment, or automobiles, retail salespersons assist customers in finding what they are looking for and try to interest them in buying the merchandise. They describe a product's features, demonstrate its use, or show various models and colors. For some sales jobs, particularly those selling expensive and complex items, retail salespersons need special knowledge or skills. For example, salespersons who sell automobiles must be able to explain to customers the features of various models, the meaning of manufacturers' specifications, and the types of options and financing available.

Consumers spend millions of dollars every day on merchandise and often form their impressions of a store by evaluating its sales force. Therefore, retailers are increasingly stressing the importance of providing courteous and efficient service in order to remain competitive.

When a customer wants an item that is not on the sales floor, for example, the salesperson may check the stockroom, place a special order, or call another store to locate the item.

In addition to selling, most retail salespersons, especially those who work in department and apparel stores, make out sales checks; receive cash, check, and charge payments; bag or package purchases; and give change and receipts. Depending on the hours they work, retail salespersons may have to open or close cash registers. This may include counting the money; separating charge slips, coupons, and exchange vouchers; and making deposits at the cash office. Salespersons are often held responsible for the contents of their registers, and repeated shortages are cause for dismissal in many organizations. (Cashiers, who have similar job duties, are discussed elsewhere in the *Handbook*.)

Salespersons may also handle returns and exchanges of merchandise, wrap gifts, and keep their work areas neat. In addition, they may help stock shelves or racks, arrange for mailing or delivery of purchases, mark price tags, take inventory, and prepare displays.

Frequently, salespersons must be aware of special sales and promotions. They must also recognize possible security risks and thefts and know how to handle or prevent such situations.

Working Conditions

Most salespersons in retail trade work in clean, comfortable, well-lighted stores. However, they often stand for long periods and may need supervisory approval to leave the sales floor.

The Monday through Friday, 9 to 5 work week is the exception, rather than the rule, in retail trade. Most salespersons work some evening and weekend hours, and long hours during Christmas and other peak retail periods. In addition, most retailers restrict the use of vacation time from Thanksgiving until early January.

This job can be rewarding for those who enjoy working with people. Patience and courtesy are required, especially when the work is repetitious and the customers demanding.

Employment

Retail salespersons held about 4.6 million jobs in 1998. They worked in stores ranging from small specialty shops employing a few workers, to giant department stores with hundreds of salespersons. In addition, some were self-employed representatives of direct sales companies and mail-order houses. The largest employers of retail salespersons are department stores, clothing and accessories stores, furniture and home furnishing stores, and motor vehicle dealers.

This occupation offers many opportunities for part-time work and is especially appealing to students, retirees, and others looking to supplement their income. However, most of those selling "big ticket"



Retail salespersons have a thorough knowledge of the products they sell.